



February 18, 2005

Ms. Kristi Izzo, Secretary
Board of Public Utilities
Office of Clean Energy
Two Gateway Center
Newark, New Jersey 07102

Re: In the Matter of a Voluntary Green Power Choice Program
Docket No. EO0501001

Dear Secretary Izzo:

Community Energy, Inc. (“CEI”) respectfully submits the following comments for consideration by the Board of Public Utilities (“Board”) as a decision is made on the final framework of the Proposal for a Voluntary Green Power Choice Program (“Program”). CEI wishes to commend the Office of Clean Energy (“OCE”) staff, members of the Green Power Choice Working Group (“Working Group”), and other stakeholders, on the development of a strong Draft Proposal for a Program that will provide the opportunity for consumers to voluntarily support the development of renewable energy beyond the levels supported by the Renewable Portfolio Standard (RPS).

CEI has been an active participant in the Working Group since its inception, and would like to express our support for the timely approval and implementation of the Draft Proposal, with the following three recommendations taken into consideration.

I. Product Content Standard

Recommendation 9. of the Governor’s Task Force Report sets forth that the Board develop a statewide voluntary green power program “which would provide additional incentives for the development of renewable energy facilities throughout the region.” Consistent with this

goal of building demand for new, regional green power resources, CEI recommends requiring a minimum product content standard of 50% “new¹” resources for all product offerings in the Program, both in its initial launch and for the life of the Program. A minimum “new” product content standard will ensure that customer premiums are directed towards the development of new renewable energy projects in the region, which is exactly what customers expect when paying a premium for green power. A program designed without a “new” standard will risk not driving new renewable energy development and will mislead consumers.

II. Product Disclosure

Recommendation 9. of the Governor’s Task Force Report also states that green power sales in this voluntary program “include full disclosure of the power supply mix utilized by the suppliers participating in the program.” In addition, CEI’s experience shows that customers buy green power based on resource location, among other product content elements. Consistent with the Task Force goal and customers’ buying behavior, CEI recommends that the Board require both the bill inserts and disclosure labels include the state (or states) in which each resource (e.g., wind, biomass, solar) in a supplier’s product is generated. Including a disclosure requirement down to the state level on both bill inserts and disclosure labels will not only meet the Task Force’s recommendation of “full disclosure”, but will also ensure that more local resources are financially supported, which will lead to increased economic development at home in New Jersey.

¹“New” renewables are generation facilities in operation on or after January 1, 1998.

III. Product Offering Options

A simple, attractive, and well-designed utility bill insert with a postage-paid return enrollment card is the most cost-effective method for enrolling new customers in the Program. Utility bill inserts generally provide a limited amount of space to describe the Program, the suppliers' products, and critical details of the product offerings (i.e., resource mix, location, percentage of new, and price). In order to not cause confusion on the customers part by presenting too many different product options in a space-constricted marketing piece, CEI recommends a degree of uniformity and simplicity when describing product offerings. Therefore, CEI urges the Board to adopt the recommendation of the Draft Proposal that states "qualifying suppliers may offer products equal to 100% of the customer's usage, served by eligible renewable resources and at a flat rate per kWh."

Conclusion

CEI applauds the ongoing efforts of the OCE and all Working Group participants and stakeholders, and looks forward to providing the necessary resources to implement a successful statewide Green Power Program in 2005 that meet the renewable energy goals of the state and all stakeholders.

Sincerely,

Amy McGinty

Cc: Michael Winka, BPU Office of Clean Energy
Anne Marie McShea, BPU Office of Clean Energy
Scott Weiner, Director, CEEP, Rutgers University
Green Power Choice Working Group (via electronic mail)